preparations and aerated & mineral water.

(e) Major steps taken to improve tax administration are given in reply to part (c) above.

Slump in export growth rate

†3159. SHRI BALKAVI BAIRAGI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that for the first time in ten years the export growth rate has reached a negative level due to all round impact of economic slump;

(b) whether it is also a fact that the export growth rate has decreased to 1.86 per cent only as per the latest figures of April-July, 2001-2002 released by Government; and

(c) if so, the effective steps taken by Government to raise the level of export growth rate together with details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) No Sir. Overall exports (in Dollar value terms) during April-February, 2001-2002, the latest period for which trade data has been released by the Government, have registered a marginal growth rate of 0.1 per cent. This is compared to export growth rates of 21.0 per cent in 2000-2001, 10.8 per cent in 1999-2000 and a decline in exports by 5.1 per cent in 1998-1999. A marked deceleration in global demand and a slowdown in the domestic economy have impacted on export growth in 2001-2002.

(b) Export growth during the first four months of 2001-2002, April-July, 2001 had declined by 1.86 per cent. However, as mentioned above, exports have increased marginally by 0.1 per cent during first eleven months, April-February 2001-2002.

(c) Several measures have been adopted by the Government to

†Original notice of the question was received in Hindi.

raise the level of exports which, infer *alia,* include reduction in the export credit rates for both pre-shipment and post-shipment credit, special financial package for manufacturer exporters, extension of normal repatriation period of export proceeds up to 360 days and upward revision of duty drawbacks and abolition of DEPB value caps on a number of product groups beyond such short term measures, a medium term export strategy has also been unveiled by the Government to achieve a quantum jump in exports over the next five years. Further, the EXIM policy for 2002—07, announced recently, also incorporates a number of proactive measures to promote exports including permission to offshore banking units in Special Economic Zones, transport subsidy for export of certain agricultural products, development of cetitres of export excellence, additional support for electronic hardware exports and measures aimed at further reducing the transaction costs of exports.

Permission for setting up private banks

3160. SHRI K.B. KRISHNAMURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether the Reserve Bank of India has accorded permission for setting up two more private banks by business/industrial houses;

(b) whether our banking network has already penetrated into remotest part of the country; and

(c) whether Government would consider putting cap on the opening of new banks/branches, until we are able to clean up the present banking sector through a regulatory body?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI BALASAHEB VIKHE PATIL): (a) Yes, Sir. Reserve Bank of India (RBI) granted 'in-principle' approval to two applicants for setting up new banks in the private sector.

(b) RBI has reported that the number of rural branches of Commercial Banks has gone up from 1523 in July, 1969 to 32,527 in September, 2001. The country has an impressive network of rural branches, which are considered adequate to meet the banking